



**CITY OF KIRKLAND**  
Department of Public Works  
123 Fifth Avenue, Kirkland, WA 98033 425.587.3800  
www.kirklandwa.gov

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## MEMORANDUM

**To:** Kurt Triplett, City Manager  
**From:** Ray Steiger, P.E., Public Works Director  
**Date:** January 14, 2013  
**Subject:** NE King County Co-op Recycling Decant Center – Purchase and Sale Agreement

### **RECOMMENDATION:**

It is recommended that City Council authorizes the City Manager to sign a Purchase and Sale Agreement for the potential siting of a regional decant facility.

### **BACKGROUND DISCUSSION:**

Kirkland, along with a number of other local agencies, has been working collaboratively since March, 2011, to examine the needs and options available for treatment and disposal of by-product that is generated during storm system cleaning. At this time, the largest portion of this by-product is allowed to dewater by gravity (decant) at the respective agencies storage facilities, and then the remaining solids (gravel, sand, organics) are disposed of in landfills. Increased cleaning requirements due to National Pollution Discharge Elimination Systems (NPDES) permits and system growth along with regional traffic congestion (i.e. travel time) are a challenge to the methods that agencies are currently utilizing to dispose of the by-product.

At their June 5, 2012, study session, Council received a presentation by Public Works staff on an alternative approach to disposal that was being explored. The approach of developing a regional decant facility that surrounding agencies could utilize was discussed; receipt of a \$2.2 M State grant to aid in developing the alternative was key to moving the option forward. City Council authorized staff to pursue required agreements with other agencies, develop funding scenarios for the acquisition of a centralized property, and continue to work with the granting agency to secure the grant. It was agreed that staff would continue to pursue the alternative and periodically check back with the City Council as the discussions evolved.

On December 20, the City Manager signed a non-binding letter of intent for the acquisition of a commercial property in the Totem Lake area. (Attachments A and B). The letter of intent memorialized the City's contingent offer of \$3.8 M and initiated the next phase of the property negotiations, a Purchase and Sale Agreement (PSA). The proposed PSA allows the City to examine the property and perform due diligence. The terms allow the City 60 days beyond execution of the PSA to fully vet the property while concurrently assessing the financial viability of a regional facility, securing interlocal agreements with the partner agencies, and securing the Department of Ecology (DOE) Grant. The Grant requires that Kirkland and two of the neighboring agencies (namely Redmond and Bellevue) participate in the initial cost of the facility and the

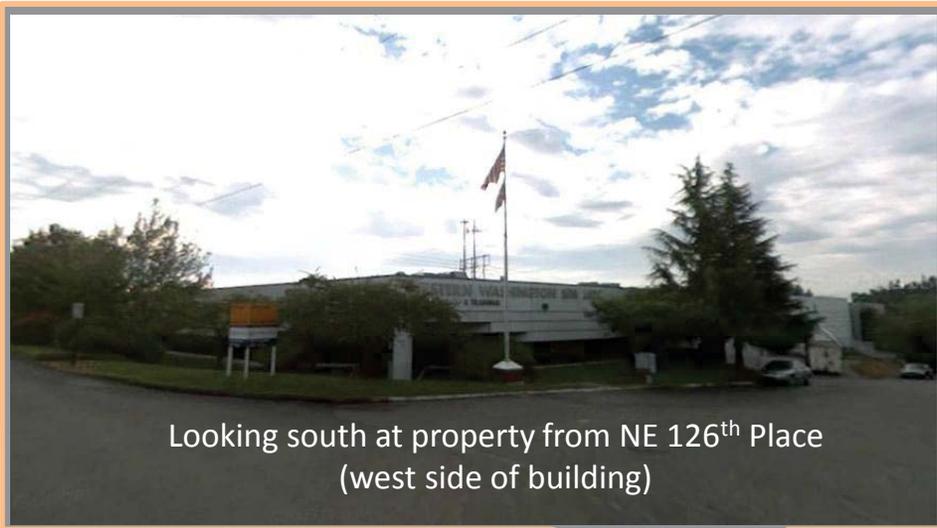
property be secured. DOE staff has affirmed that the interlocal agreements and a PSA will be sufficient to satisfy the terms of the grant.

If Council authorizes execution of the PSA, the City would also execute a promissory note for the amount of the earnest money, which is \$100,000. Under the terms of the promissory note, the City would be required to pay the earnest money upon satisfaction or waiver of the 60 day feasibility period. The City would not be required to pay earnest money if it elected to terminate the PSA pursuant to the feasibility contingency provision.

With an authorization to sign the PSA, staff will begin the due diligence process. A likely chronology of subsequent steps:

Jan 16 <sup>th</sup>	PSA signed and sent to seller for execution Staff completion of draft Decant Facility "business plan" Draft interlocal agreements distributed to partner agencies
Jan 29 <sup>th</sup>	Staff presentation to Finance Committee
Feb 19 <sup>th</sup>	Staff presentation to full Council (business plan, interlocal agreement)
Mar 16 <sup>th</sup>	Due diligence period completed Signed interlocal agreements

If at any point prior to the 60-day due diligence expiration the acquisition of the Property by the City is not feasible for the City's intended purpose, the City may terminate the PSA without financial impact.



Looking south at property from NE 126<sup>th</sup> Place  
(west side of building)



Looking south at property from NE 126<sup>th</sup> Place  
(east side of building)



Surface parking



**Joe Steele**  
Senior Vice President

CBRE, Inc.  
Brokerage Services

December 11, 2012

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NAI Puget Sound Properties  
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Bellevue, WA 98004

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**RE: LETTER OF INTENT TO PURCHASE**  
**Former Western Washington Sheet Metal Building**  
**13513 NE 126<sup>th</sup> Place, Kirkland, WA 98034**

Dear Bob:

Please accept this proposal on behalf of the City of Kirkland, hereinafter referred to as "Buyer," to enter into a Real Estate Purchase and Sale Agreement ("Agreement") on the subject property mutually acceptable to both parties.

1. Buyer. City of Kirkland
2. Property. The subject property known as the Former Western Washington Sheet Metal Building, consisting of approximately 53,225 square feet, together with all fixtures and personal property owned by Seller and located on the Property. The physical address is 13513 NE 126<sup>th</sup> Place, Kirkland, WA and the parcel number is 272605-9090 and the land area is approximately 2.45 acres (106,722 square feet).
3. Purchase Price and Payment. The total purchase price for the property is Three Million Eight Hundred Thousand and No/100 Dollars (\$3,800,000) paid all cash at closing.
4. Deposit. Upon execution of the Agreement, Buyer will make an earnest money deposit in the form of a Promissory Note in the amount of One Hundred Thousand and No/100 Dollars (\$100,000) to be converted to cash under conditions outlined in Section 5.b herein.
5. Feasibility Period. Buyer shall be allowed Forty Five (45) days from mutual execution of the Agreement to complete, to its own satisfaction, a feasibility analysis of the subject property which will include, but not limited to, the Buyer's review of the following:
  - a. Within Seven (7) days of the date of execution of the Agreement by both parties, Seller shall deliver to Buyer the documents listed below:
    1. A current legal description of the Property
    2. An existing ALTA survey, if available
    3. Copies of all Lease Documents

4. Copies of all monthly operating statements for the Property for the past 3 years, certified as accurate by Seller, setting forth all income and expenses.
  5. Copies of utility bills
  6. Copies of the service agreements and other agreements pursuant to the Property
  7. Phase I and II Environmental Assessments (if available) and any other Environmental Studies or Environmental information that maybe in the possession of the Seller as it relates to this property
  8. Copy of current years real estate tax bill
  9. Building plans, if available
  10. List of capital improvements for the last 5 years
  11. Copies of Certificates of Occupancy, if available
  12. Any Soils reports or Soils Information that maybe in the possession of Seller
  13. Copy of documentation regarding existing encumbrances on the property
  14. Tax assessments and notices
  15. Title Report, if available.
- b. Buyer must notify Seller in writing within the Forty Five (45) day Feasibility Period of its approval of the specified documents and of its satisfactory determination of project feasibility. Additionally, Buyer must notify Seller of its intent to close upon the terms and times so designated in this Letter. If Buyer elects to continue with this transaction, the deposit held by Buyer will be deposited with Escrow in the form of cash. The deposit will be applied and credited toward the purchase price and will become non-refundable. If Buyer terminates this transaction during the Feasibility Period or fails to notify Seller of its intent to close, the Promissory Note will be returned to Buyer and the Agreement will become null and void and Buyer will return all materials related to this transaction to Seller or its agent.

6. Title. Seller will provide Buyer with a preliminary commitment for title insurance, along with copies of all documentation referred to therein within five (5) days after mutual execution of the Agreement. Buyer will have fifteen (15) days after receipt of the preliminary commitment to review the commitment and documentation. Buyer will provide written notice to Seller within said fifteen (15) days of its approval, or in the event of disapproval, of the items disapproved. Seller would have ten (10) days to advise Buyer of its intent to remove items disapproved by Buyer, or to convey title subject to those items. Buyer may elect to waive its objections or terminate the Agreement.

Title will be conveyed by special warranty deed, free and clear of all encumbrances and defects (including all assessments levied and of record at closing) except those accepted by Buyer. A standard form Owner's policy of title insurance will be issued by a title company acceptable to Buyer and paid by Seller at closing. If Buyer requires an extended form Owner's policy of title insurance, Buyer shall be responsible for the additional cost over and above the standard Owner's policy of title insurance. Seller to pay all closing costs, except that Buyer will pay one-half (1/2) of any escrow fee.

7. Right of Entry. Buyer may enter onto the subject property during the term of the Feasibility Period for the purpose of conducting its analyses. Buyer will hold Seller harmless from any liens which might arise from such activities.

8. Survey. If Buyer requires an ALTA survey, Buyer will be responsible for the production and cost of ALTA survey.

9. Sale/Lease Disclosures. To the best of Seller's knowledge, Seller represents to Buyer that there are no hazardous materials in, on, or around the property. Seller shall provide any and all information regarding: the existence or nonexistence of asbestos, PCB transformers, any other toxic, hazardous or contaminated substances, and underground storage tanks; structural, mechanical and soil conditions; flood zoning; and compliance with the Americans with Disabilities Act (ADA) and the Residential Lead Paint Hazard Reduction Act. Attached is the Sale/Lease Disclosures Form for review. (Double click on icon to review and print attachment.)



13513 NE 126th  
PI\_DISCLOSURES FOR

10. Seller Cooperation. Seller shall cooperate with Buyer in the satisfaction or removal of contingencies to closing. Such cooperation shall include execution of all applications, lot line adjustments, plans or other required submissions, as well as support of all matters with any public or private agency.

11. Liquidated Damages. In the event of Buyer's breach of the Agreement or failure to perform its obligations under the Agreement, Seller's exclusive remedy shall be receipt of the funds deposited by Buyer described in Sections 3 and 4 hereof.

12. Closing. The closing of this transaction will be Thirty (30) days from the removal of contingencies or sooner at Buyer's option.

13. Title and Escrow Holder. Title will be issued and Escrow to be held with Chantale Stiller-Anderson of First American Title Insurance Company.

14. Agency Disclosure. CBRE represents the Buyer in this transaction. In accordance with Washington State Law, attached is the "The Law of Real Estate Agency" pamphlet for review. (Double click on icon to view and print attachment.)



AGENCY  
PAMPHLET(CBA)\_(rev.

15. Commission. Seller will pay a commission at closing in the amount of two and one half percent (2.5%) of the gross sales price to CBRE. Said Commission shall be payable as of the date the sale closes and shall be paid out of escrow.

16. Binding Effect. With the exception of Section 17 below, it is understood that this proposal is non-binding and is intended solely and exclusively as a preliminary expression of general intentions. The parties mutually intend that neither shall have any binding contractual obligations to the other with respect to the matters referred to herein unless and until a formal written Agreement has been prepared with adequate opportunity for review by legal counsel and has been fully executed and delivered by the parties.

17. Exclusivity. During the period Seller and Buyer are negotiating and documenting this Agreement, Seller covenants and agrees that it will refrain from soliciting or accepting offers for the property from any person other than Buyer for a period of 15 days.

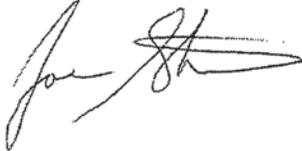
18. Acceptance. Seller shall have until 5:00 p.m. on Friday December 14<sup>th</sup>, 2012 to accept this proposal, and so indicate that by signing both original copies of this letter and returning one to the Buyer. In the event of Seller's acceptance, Buyer shall proceed with the preparation of the Agreement which must be executed by both parties within Ten (10) days after Seller's acceptance of this proposal.

CBRE © 2012 All Rights Reserved. All information included in this proposal pertaining to CBRE—including but not limited to its operations, employees, technology and clients—are proprietary and confidential, and are supplied with the understanding that they will be held in confidence and not disclosed to third parties without the prior written consent of CBRE.

This letter/proposal is intended solely as a preliminary expression of general intentions and is to be used for discussion purposes only. The parties intend that neither shall have any contractual obligations to the other with respect to the matters referred herein unless and until a definitive agreement has been fully executed and delivered by the parties. The parties agree that this letter/proposal is not intended to create any agreement or obligation by either party to negotiate a definitive lease/purchase and sale agreement and imposes no duty whatsoever on either party to continue negotiations, including without limitation any obligation to negotiate in good faith or in any way other than at arm's length. Prior to delivery of a definitive executed agreement, and without any liability to the other party, either party may (1) propose different terms from those summarized herein, (2) enter into negotiations with other parties and/or (3) unilaterally terminate all negotiations with the other party hereto.

Sincerely,

CBRE, INC.



Joe Steele  
Senior Vice President  
(425) 462-6925

**ACCEPTED AND AGREED:**

This 20 day of DECEMBER, 2012.

**SELLER**

By: 

Its: ADMIN. COORDINATOR

**BUYER**

By: \_\_\_\_\_

Its: \_\_\_\_\_



**CBRE, Inc.**  
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CBA Form PS-1A  
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**COMMERCIAL & INVESTMENT REAL ESTATE  
 PURCHASE & SALE AGREEMENT**

*This has been prepared for submission to your attorney for review and approval prior to signing. No representation is made by licensee as to its sufficiency or tax consequences*

Reference Date: January 14, 2013

City of Kirkland ("Buyer") agrees to buy and Western Washington Sheet Metal Joint Apprenticeship Training Trust ("Seller") agrees to sell, on the following terms, the commercial real estate and all improvements thereon (collectively, the "Property") commonly known as the Former Western Washington Sheet Metal Building, located at 13513 NE 126<sup>th</sup> Place in the City of Kirkland, King County, Washington, legally described on attached Exhibit A. The Reference Date above is intended to be used to reference this Agreement and is not the date of "Mutual Acceptance," which is defined in Section 23.

1. **PURCHASE PRICE.** The purchase price is Three Million Eight Hundred Thousand and no/100 Dollars (\$3,800,000.00) payable as follows (check only one):

- All cash at closing with no financing contingency.
- All cash at closing contingent on new financing in accordance with the Financing Addendum (attach CBA Form PS\_FIN).
- \$ \_\_\_\_\_ OR \_\_\_\_\_% of the purchase price in cash at closing with the balance of the purchase price paid as follows (**check one or both, as applicable**):  Buyer's assumption of the outstanding principal balance as of the Closing Date of a first lien note and deed of trust (or mortgage), or real estate contract, in accordance with the Financing Addendum (attach CBA Form PS\_FIN);  Buyer's delivery at closing of a promissory note for the balance of the purchase price, secured by a deed of trust encumbering the Property, in accordance with the Financing Addendum (attach CBA Form PS\_FIN ).
- Other: \_\_\_\_\_.

2. **EARNEST MONEY.** The earnest money in the amount of \$100,000 shall be in the form of  Cash  Personal check  Promissory note (attached CBA Form EMN)  Other: \_\_\_\_\_

The earnest money shall be held by  Selling Firm  Closing Agent. Selling Broker may, however, transfer the earnest money to Closing Agent.

Buyer shall deliver the earnest money no later than:

- \_\_\_\_\_ days after Mutual Acceptance.
- On the last day of the Feasibility Period defined in Section 5 below.
- Other: \_\_\_\_\_.

If the earnest money is to be held by Selling Firm and is over \$10,000, it shall be deposited to:  Selling Firm's pooled trust account (with interest paid to the State Treasurer)  A separate interest bearing trust account in Selling Firm's name. The interest, if any, shall be credited at closing to Buyer. If this sale fails to close, whoever is entitled to the earnest money is entitled to interest.

Selling Firm shall deposit any check to be held by Selling Firm within 3 days after receipt or Mutual Acceptance, whichever occurs later. Buyer agrees to pay financing and purchase costs incurred by Buyer. Unless otherwise provided in this Agreement, the earnest money shall be applicable to the purchase price.

3. **EXHIBITS AND ADDENDA.** The following Exhibits and Addenda are made a part of this Agreement:

- Exhibit A - Legal Description
- Earnest Money Promissory Note, CBA Form EMN

INITIALS: Buyer \_\_\_\_\_ Date \_\_\_\_\_ Seller \_\_\_\_\_ Date \_\_\_\_\_  
 Buyer \_\_\_\_\_ Date \_\_\_\_\_ Seller \_\_\_\_\_ Date \_\_\_\_\_



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**COMMERCIAL & INVESTMENT REAL ESTATE  
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- Promissory Note, LPB Form No. 28A
- Short Form Deed of Trust, LPB Form No. 20
- Deed of Trust Rider, CBA Form DTR
- Utility Charges Addendum, CBA Form UA
- FIRPTA Certification, CBA Form 22E
- Assignment and Assumption, CBA Form PS-AS
- Addendum/Amendment, CBA Form PSA
- Back-Up Addendum, CBA Form BU-A
- Vacant Land Addendum, CBA Form VLA
- Financing Addendum, CBA Form PS\_FIN
- Tenant Estoppel Certificate, CBA Form PS\_TEC
- Defeasance Addendum, CBA Form PS\_D
- Other Form 17 Commercial

**4. SELLER'S UNDERLYING FINANCING.** Unless Buyer is assuming Seller's underlying financing, Seller shall be responsible for confirming the existing underlying financing is not subject to any "lock out" or similar covenant which would prevent the lender's lien from being released at closing. In addition, Seller shall provide Buyer notice prior to the end of the Feasibility Period if Seller is required to substitute securities for the Property as collateral for the underlying financing (known as "defeasance"). If Seller provides this notice of defeasance to Buyer, then the parties shall close the transaction in accordance with the process described in CBA Form PS\_D or any different process identified in Seller's defeasance notice to Buyer.

**5. FEASIBILITY CONTINGENCY.** Buyer's obligations under this Agreement are conditioned upon Buyer's satisfaction in Buyer's sole discretion, concerning all aspects of the Property, including its physical condition; the presence of or absence of any hazardous substances; the contracts and leases affecting the property; the potential financial performance of the Property; the availability of government permits and approvals; and the feasibility of the Property for Buyer's intended purpose. This Agreement shall terminate and Buyer shall receive a refund of the earnest money unless Buyer gives written notice to Seller within 60 days (30 days if not filled in) (the "Feasibility Period") of Mutual Acceptance stating that this condition is satisfied. If such notice is timely given, the feasibility contingency stated in this Section 5 shall be deemed to be satisfied.

**a. Books, Records, Leases, Agreements.** Seller shall make available for inspection by Buyer and its agents within 7 days (2 days if not filled in) after Mutual Acceptance all documents in Seller's possession or control relating to the ownership, operation, renovation or development of the Property, excluding appraisals or other statements of value, and including: statements for real estate taxes, assessments, and utilities for the last three years and year to date; property management agreements and any other agreements with professionals or consultants; leases or other agreements relating to occupancy of all or a portion of the Property and a suite-by-suite schedule of tenants, rents, prepaid rents, deposits and fees; plans, specifications, permits, applications, drawings, surveys, and studies; maintenance records, accounting records and audit reports for the last three years and year to date; and "Vendor Contracts" which shall include maintenance or service contracts, and installments purchase contracts or leases of personal property or fixtures used in connection with the Property. Buyer shall determine within the Feasibility Period: (i) whether Seller will agree to terminate any objectionable Vendor Contracts; and (ii) whether Seller will agree to pay any damages or penalties resulting from the termination of objectionable Vendor Contracts. Buyer's waiver of the Feasibility Contingency shall be deemed Buyer's acceptance of all Vendor Contracts which Seller has not agreed in writing to terminate. Buyer shall be solely responsible for obtaining any required consents to such assumption and the payment of any assumption fees. Seller shall cooperate with Buyer's efforts to receive any such consents but shall not be required to incur

INITIALS: Buyer \_\_\_\_\_ Date \_\_\_\_\_ Seller \_\_\_\_\_ Date \_\_\_\_\_  
 Buyer \_\_\_\_\_ Date \_\_\_\_\_ Seller \_\_\_\_\_ Date \_\_\_\_\_



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**COMMERCIAL & INVESTMENT REAL ESTATE  
 PURCHASE & SALE AGREEMENT  
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any out-of-pocket expenses or liability in doing so. Seller shall transfer the Vendor Contracts as provided in Section 17.

**b. Access.** Seller shall permit Buyer and its agents, at Buyer's sole expense and risk to enter the Property at reasonable times subject to the rights of and after legal notice to tenants, to conduct inspections concerning the Property and improvements, including without limitation, the structural condition of improvements, hazardous materials, pest infestation, soils conditions, sensitive areas, wetlands, or other matters affecting the feasibility of the Property for Buyer's intended use. Buyer shall schedule any entry onto the Property with Seller in advance and shall comply with Seller's reasonable requirements including those relating to security, confidentiality, and disruption of Seller's tenants. Buyer shall not perform any invasive testing including environmental inspections beyond a phase I assessment or contact the tenants or property management personnel without obtaining the Seller's prior written consent, which shall not be unreasonably withheld. Buyer shall restore the Property and improvements to the same condition they were in prior to inspection. Buyer shall be solely responsible for all costs of its inspections and feasibility analysis and has no authority to bind the Property for purposes of statutory liens. Buyer agrees to indemnify and defend Seller from all liens, costs, claims, and expenses, including attorneys' and experts' fees, arising from or relating to entry onto or inspection of the Property by Buyer and its agents. This agreement to indemnify and defend Seller shall survive closing. Buyer may continue to enter the Property in accordance with the foregoing terms and conditions after removal or satisfaction of the feasibility contingency only for the purpose of leasing or to satisfy conditions of financing.

~~**c.** Buyer waives the right to receive a seller disclosure statement ("Form 17-Commercial") if required by RCW 64.06. However, if Seller would otherwise be required to provide Buyer with a Form 17-Commercial, and if the answer to any of the questions in the section of the Form 17-Commercial entitled "Environmental" would be "yes," then Buyer does not waive the receipt of the "Environmental" section of the Form 17-Commercial which shall be provided by Seller.~~

**6. TITLE INSURANCE.**

**a. Title Report.** Seller authorizes Buyer, its Lender, Listing Broker, Selling Broker or Closing Agent, at Seller's expense, to apply for and deliver to Buyer a  standard  extended (standard, if not completed) coverage owner's policy of title insurance. If an extended coverage owner's policy is specified, Buyer shall pay the increased costs associated with that policy including the excess premium over that charged for a standard coverage policy, and the cost of any survey required by the title insurer. The title report shall be issued by Chicago Title (a title company of Seller's choice, if not completed). If Seller previously received a preliminary commitment from a title insurer that Buyer declines to use, Buyer shall pay any cancellation fee owing to the original title insurer. Otherwise, the party applying for title insurance shall pay any title cancellation fee, in the event such a fee is assessed.

**b. Permitted Exceptions.** Buyer shall notify Seller of any objectionable matters in the title report or any supplemental report within the earlier of: (1) twenty (20) days after Mutual Acceptance of this Agreement; or (2) the expiration of the Feasibility Period. This Agreement shall terminate and Buyer shall receive a refund of the earnest money, less any costs advanced or committed for Buyer, unless within five (5) days of Buyer's notice of such objections (1) Seller agrees, in writing, to remove all objectionable provisions or (2) Buyer notifies Seller that Buyer waives any objections which Seller does not agree to remove. If any new title matters are disclosed in a supplemental title report, then the preceding termination, objection and waiver provisions shall apply to the new title matters except that Buyer's notice of objections must be delivered within five (5) days of delivery of the supplemental report and Seller's response or Buyer's waiver must be delivered within two (2) days of Buyer's notice of objections. The closing date shall be extended to the extent necessary to permit time for these notices. Buyer shall not be required to object to any mortgage or deed of trust liens, or the statutory lien for real property taxes, and the same shall not be deemed to be Permitted Exceptions; provided, however, that the lien securing

INITIALS: Buyer \_\_\_\_\_ Date \_\_\_\_\_ Seller \_\_\_\_\_ Date \_\_\_\_\_  
 Buyer \_\_\_\_\_ Date \_\_\_\_\_ Seller \_\_\_\_\_ Date \_\_\_\_\_



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any financing which Buyer has agreed to assume shall be a Permitted Exception. Except for the foregoing, those provisions not objected to or for which Buyer waived its objections shall be referred to collectively as the "Permitted Exceptions." Seller shall cooperate with Buyer and the title company to clear objectionable title matters but shall not be required to incur any out-of-pocket expenses or liability other than payment of monetary encumbrances not assumed by Buyer and proration of real property taxes, and Seller shall provide an owner's affidavit containing the information and reasonable covenants requested by the title company. The title policy shall contain no exceptions other than the General Exclusions and Exceptions common to such form of policy and the Permitted Exceptions.

**7. CLOSING OF SALE.** The sale shall be closed on fifteen (15) days from expiration of Feasibility Contingency, ("Closing") by Chicago Title ("Closing Agent") (Seller shall select the Closing Agent, if not completed). Buyer and Seller shall deposit with Closing Agent by 12:00 p.m. on the scheduled Closing date all instruments and monies required to complete the purchase in accordance with this Agreement. "Closing" shall be deemed to have occurred when the deed is recorded and the sale proceeds are available to Seller. Time is of the essence in the performance of this Agreement. Sale proceeds shall be considered available to Seller, even though they cannot be disbursed to Seller until the next business day after Closing. Notwithstanding the foregoing, if Seller informed Buyer during the Feasibility Period that Seller's underlying financing requires that it be defeased and may not be paid off, then Closing shall be conducted in accordance with the three-day closing process described in CBA Form PS\_D. This Agreement is intended to constitute escrow instructions to Closing Agent. Buyer and Seller will provide any supplemental instructions requested by Closing Agent provided the same are consistent with this Agreement.

**8. CLOSING COSTS AND PRORATIONS.** Seller shall deliver an updated rent roll to Closing Agent not later than two (2) days before the scheduled Closing date in the form required by Section 5(a) and any other information reasonably requested by Closing Agent to allow Closing Agent to prepare a settlement statement for Closing. Seller certifies that the information contained in the rent roll is correct as of the date submitted. Seller shall pay the premium for the owner's standard coverage title policy. Buyer shall pay the excess premium attributable to any extended coverage or endorsements requested by Buyer, and the cost of any survey required in connection with the same. Seller and Buyer shall each pay one-half of the escrow fees. Any real estate excise taxes shall be paid by the ~~party~~ **SELLER** who bears primary responsibility for payment under the applicable statute or code. Real and personal property taxes and assessments payable in the year of closing; collected rents on any existing tenancies; interest; utilities; and other operating expenses shall be pro-rated as of Closing. If tenants pay any of the foregoing expenses directly, then Closing Agent shall only pro rate those expenses paid by Seller. Buyer shall pay to Seller at Closing an additional sum equal to any utility deposits or mortgage reserves for assumed financing for which Buyer receives the benefit after Closing. Buyer shall pay all costs of financing including the premium for the lender's title policy. If the Property was taxed under a deferred classification prior to Closing, then Seller shall pay all taxes, interest, penalties, deferred taxes or similar items which result from removal of the Property from the deferred classification. At Closing, all refundable deposits on tenancies shall be credited to Buyer or delivered to Buyer for deposit in a trust account if required by state or local law. Buyer shall pay any sales or use tax applicable to the transfer of personal property included in the sale.

**a. Unpaid Utility Charges.** Buyer and Seller  WAIVE  DO NOT WAIVE (do not waive if neither box checked) the right to have the Closing Agent disburse closing funds necessary to satisfy unpaid utility charges affecting the Property pursuant to RCW 60.80. If "do not waive" is checked, then attach CBA Form UA ("Utility Charges" Addendum) to this Agreement.

**9. POST-CLOSING ADJUSTMENTS, COLLECTIONS, AND PAYMENTS.** After Closing, Buyer and Seller shall reconcile the actual amount of revenues or liabilities upon receipt or payment thereof to the extent those items were prorated or credited at Closing based upon estimates. Any bills or invoices received by Buyer after Closing which relate to services rendered or goods delivered to the Seller or the Property prior to Closing shall be paid by

INITIALS: Buyer \_\_\_\_\_ Date \_\_\_\_\_ Seller \_\_\_\_\_ Date \_\_\_\_\_  
 Buyer \_\_\_\_\_ Date \_\_\_\_\_ Seller \_\_\_\_\_ Date \_\_\_\_\_



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Seller upon presentation of such bill or invoice. At Buyer's option, Buyer may pay such bill or invoice and be reimbursed the amount paid plus interest at the rate of 12% per annum beginning fifteen (15) days from the date of Buyer's written demand to Seller for reimbursement until such reimbursement is made. Notwithstanding the foregoing, if tenants pay certain expenses based on estimates subject to a post-closing reconciliation to the actual amount of those expenses, then Buyer shall be entitled to any surplus and shall be liable for any credit resulting from the reconciliation. Rents collected from each tenant after Closing shall be applied first to rentals due most recently from such tenant for the period after closing, and the balance shall be applied for the benefit of Seller for delinquent rentals owed for a period prior to closing. The amounts applied for the benefit of Seller shall be turned over by Buyer to Seller promptly after receipt. Seller shall be entitled to pursue any lawful methods of collection of delinquent rents but shall have no right to evict tenants after Closing.

**10. OPERATIONS PRIOR TO CLOSING.** Prior to Closing, Seller shall continue to operate the Property in the ordinary course of its business and maintain the Property in the same or better condition than as existing on the date of Mutual Acceptance but shall not be required to repair material damage from casualty except as otherwise provided in this Agreement. After the Feasibility Period, Seller shall not enter into or modify existing rental agreements or leases (except that Seller may enter into, modify, extend, renew or terminate residential rental agreements or residential leases in the ordinary course of its business), service contracts, or other agreements affecting the Property which have terms extending beyond Closing without first obtaining Buyer's consent, which shall not be unreasonably withheld.

**11. POSSESSION.** Buyer shall be entitled to possession  on closing  \_\_\_\_\_ (on closing, if not completed). Buyer shall accept possession subject to all tenancies disclosed to Buyer during the Feasibility Period.

**12. SELLER'S REPRESENTATIONS.** Except as disclosed to or known by Buyer prior to the satisfaction or waiver of the feasibility contingency stated in Section 5 above, including in the books, records and documents made available to Buyer, or in the title report or any supplemental report or documents referenced therein, Seller represents to Buyer that, to the best of Seller's actual knowledge, each of the following is true as of the date hereof: (a) Seller is authorized to enter into the Agreement, to sell the Property, and to perform its obligations under the Agreement; (b) The books, records, leases, agreements and other items delivered to Buyer pursuant to this Agreement comprise all material documents in Seller's possession or control regarding the operation and condition of the Property; (c) Seller has not received any written notices that the Property or the business conducted thereon violate any applicable laws, regulations, codes and ordinances; (d) Seller has all certificates of occupancy, permits, and other governmental consents necessary to own and operate the Property for its current use; (e) There is no pending or threatened litigation which would adversely affect the Property or Buyer's ownership thereof after Closing; (f) There is no pending or threatened condemnation or similar proceedings affecting the Property, and the Property is not within the boundaries of any planned or authorized local improvement district; (g) Seller has paid (except to the extent prorated at Closing) all local, state and federal taxes (other than real and personal property taxes and assessments described in Section 8 above) attributable to the period prior to closing which, if not paid, could constitute a lien on Property (including any personal property), or for which Buyer may be held liable after Closing; (h) Seller is not aware of any concealed material defects in the Property except as disclosed to Buyer in writing during the Feasibility Period; (i) There are no Hazardous Substances (as defined below) currently located in, on, or under the Property in a manner or quantity that presently violates any Environmental Law (as defined below); there are no underground storage tanks located on the Property; and there is no pending or threatened investigation or remedial action by any governmental agency regarding the release of Hazardous Substances or the violation of Environmental Law at the Property. As used herein, the term "Hazardous Substances" shall mean any substance or material now or hereafter defined or regulated as a hazardous substance, hazardous waste, toxic substance, pollutant, or contaminant under any federal, state, or local law, regulation, or ordinance governing any substance that could cause actual or suspected

INITIALS: Buyer \_\_\_\_\_ Date \_\_\_\_\_ Seller \_\_\_\_\_ Date \_\_\_\_\_  
 Buyer \_\_\_\_\_ Date \_\_\_\_\_ Seller \_\_\_\_\_ Date \_\_\_\_\_



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harm to human health or the environment ("Environmental Law"). The term "Hazardous Substances" specifically includes, but is not limited to, petroleum, petroleum by-products, and asbestos.

If prior to Closing Seller or Buyer discovers any information which would cause any of the representations above to be false if the same were deemed made as of the date of such discovery, then the party discovering the same shall promptly notify the other party in writing. If the newly-discovered information will result in costs or liability to Buyer in excess of the lesser of \$100,000 or five percent (5%) of the purchase price stated in this Agreement, or will materially adversely affect Buyer's intended use of the Property, then Buyer shall have the right to terminate the Agreement and receive a refund of its earnest money. Buyer shall give notice of termination within five (5) days of discovering or receiving written notice of the new information. Nothing in this paragraph shall prevent Buyer from pursuing its remedies against Seller if Seller had actual knowledge of the newly-discovered information such that a representation provided for above was false.

**13. AS-IS.** Except for those representations and warranties specifically included in this Agreement: (i) Seller makes no representations or warranties regarding the Property; (ii) Seller hereby disclaims, and Buyer hereby waives, any and all representations or warranties of any kind, express or implied, concerning the Property or any portion thereof, as to its condition, value, compliance with laws, status of permits or approvals, existence or absence of hazardous material on site, occupancy rate or any other matter of similar or dissimilar nature relating in any way to the Property, including the warranties of fitness for a particular purpose, tenantability, habitability and use; (iii) Buyer otherwise takes the Property "AS IS;" and (iv) Buyer represents and warrants to Seller that Buyer has sufficient experience and expertise such that it is reasonable for Buyer to rely on its own pre-closing inspections and investigations.

**14. PERSONAL PROPERTY.**

**a.** This sale includes all right, title and interest of Seller to the following tangible personal property:  None  That portion of the personal property located on and used in connection with the Property, which Seller will itemize in an Exhibit to be attached to this Agreement within ten (10) days of Mutual Acceptance (None, if not completed). The value assigned to the personal property shall be \$ \_\_\_\_\_ (if not completed, the County-assessed value if available, and if not available, the fair market value determined by an appraiser selected by the Listing Broker and Selling Broker). Seller warrants title to, but not the condition of, the personal property and shall convey it by bill of sale.

**b.** In addition to the leases and Vendor Contracts assumed by Buyer pursuant to Section 5(a) above, this sale includes all right, title and interest of Seller to the following intangible property now or hereafter existing with respect to the Property including without limitation: all rights-of-way, rights of ingress or egress or other interests in, on, or to, any land, highway, street, road, or avenue, open or proposed, in, on, or across, in front of, abutting or adjoining the Property; all rights to utilities serving the Property; all drawings, plans, specifications and other architectural or engineering work product; all governmental permits, certificates, licenses, authorizations and approvals; all rights, claims, causes of action, and warranties under contracts with contractors, engineers, architects, consultants or other parties associated with the Property; all utility, security and other deposits and reserve accounts made as security for the fulfillment of any of Seller's obligations; any name of or telephone numbers for the Property and related trademarks, service marks or trade dress; and guaranties, warranties or other assurances of performance received.

**15. CONDEMNATION AND CASUALTY.** Seller bears all risk of loss until Closing, and thereafter Buyer shall bear the risk of loss. Buyer may terminate this Agreement and obtain a refund of the earnest money if improvements on the Property are destroyed or materially damaged by casualty before Closing, or if condemnation proceedings are commenced against all or a portion of the Property before Closing. Damage will be considered material if the cost of repair exceeds the lesser of \$100,000 or five percent (5%) of the purchase price stated in this Agreement. Alternatively, Buyer may elect to proceed with closing, in which case, at Closing, Seller shall assign to Buyer all

INITIALS: Buyer \_\_\_\_\_ Date \_\_\_\_\_ Seller \_\_\_\_\_ Date \_\_\_\_\_  
 Buyer \_\_\_\_\_ Date \_\_\_\_\_ Seller \_\_\_\_\_ Date \_\_\_\_\_



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claims and right to proceeds under any property insurance policy and shall credit to Buyer at Closing the amount of any deductible provided for in the policy.

**16. FIRPTA - TAX WITHHOLDING AT CLOSING.** Closing Agent is instructed to prepare a certification (CBA or NWMLS Form 22E, or equivalent) that Seller is not a "foreign person" within the meaning of the Foreign Investment in Real Property Tax Act, and Seller shall sign it on or before Closing. If Seller is a foreign person, and this transaction is not otherwise exempt from FIRPTA, Closing Agent is instructed to withhold and pay the required amount to the Internal Revenue Service.

**17. CONVEYANCE.** Title shall be conveyed by a ~~Statutory~~ *SPECIAL* Warranty Deed subject only to the Permitted Exceptions. If this Agreement is for conveyance of Seller's vendee's interest in a Real Estate Contract, the ~~Statutory~~ *SPECIAL* Warranty Deed shall include a contract vendee's assignment sufficient to convey after acquired title. At Closing, Seller and Buyer shall execute and deliver to Closing Agent CBA Form No. PS-AS Assignment and Assumption Agreement transferring all leases and Vendor Contracts assumed by Buyer pursuant to Section 5(a) and all intangible property transferred pursuant to Section 14(b).

**18. NOTICES AND COMPUTATION OF TIME.** Unless otherwise specified, any notice required or permitted in, or related to, this Agreement (including revocations of offers and counteroffers) must be in writing. Notices to Seller must be signed by at least one Buyer and must be delivered to Seller and Listing Broker with a courtesy copy to any other party identified as a recipient of notices in Section 28. A notice to Seller shall be deemed delivered only when received by Seller, Listing Broker, or the licensed office of Listing Broker. Notices to Buyer must be signed by at least one Seller and must be delivered to Buyer, with a copy to Selling Broker and with a courtesy copy to any other party identified as a recipient of notices in Section 28. A notice to Buyer shall be deemed delivered only when received by Buyer, Selling Broker, or the licensed office of Selling Broker. Selling Broker and Listing Broker have no responsibility to advise of receipt of a notice beyond either phoning the represented party or causing a copy of the notice to be delivered to the party's address provided in this Agreement. Buyer and Seller shall keep Selling Broker and Listing Broker advised of their whereabouts in order to receive prompt notification of receipt of a notice. If any party is not represented by a licensee, then notices must be delivered to and shall be effective when received by that party at the address, fax number, or email indicated in Section 28.

Unless otherwise specified in this Agreement, any period of time in this Agreement shall mean Pacific Time and shall begin the day after the event starting the period and shall expire at 5:00 p.m. of the last calendar day of the specified period of time, unless the last day is a Saturday, Sunday or legal holiday as defined in RCW 1.16.050, in which case the specified period of time shall expire on the next day that is not a Saturday, Sunday or legal holiday. Any specified period of five (5) days or less shall not include Saturdays, Sundays or legal holidays. Notwithstanding the foregoing, references to specific dates or times or number of hours shall mean those dates, times or number of hours; provided, however, that if the Closing Date falls on a Saturday, Sunday, or legal holiday as defined in RCW 1.16.050, or a date when the county recording office is closed, then the Closing Date shall be the next regular business day.

**19. AGENCY DISCLOSURE.** At the signing of this Agreement,

Selling Broker Joe Steele of CBRE, Inc.

represented Buyer

and the Listing Broker Bob Swain of NAI Puget Sound Properties

represented Seller.

Selling Firm, Selling Firm's Designated Broker, Selling Broker's Branch Manager (if any) and Selling Broker's Managing Broker (if any) represent the same party that Selling Broker represents. Listing Firm, Listing Firm's Designated Broker, Listing Broker's Branch Manager (if any), and Listing Broker's Managing Broker (if any)

INITIALS: Buyer \_\_\_\_\_ Date \_\_\_\_\_ Seller \_\_\_\_\_ Date \_\_\_\_\_

Buyer \_\_\_\_\_ Date \_\_\_\_\_ Seller \_\_\_\_\_ Date \_\_\_\_\_



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represent the same party that the Listing Broker represents. If Selling Broker and Listing Broker are different persons affiliated with the same Firm, then both Buyer and Seller confirm their consent to the Brokers' Designated Broker, Branch Manager (if any), and Managing Broker (if any) representing both parties as a dual agent. If Selling Broker and Listing Broker are the same person representing both parties, then both Buyer and Seller confirm their consent to that person and his/her Designated Broker, Branch Manager (if any), and Managing Broker (if any) representing both parties as dual agents. All parties acknowledge receipt of the pamphlet entitled "The Law of Real Estate Agency."

**20. ASSIGNMENT.** Buyer  may  may not (may not, if not completed) assign this Agreement, or Buyer's rights hereunder, without Seller's prior written consent, unless provided otherwise herein. If the "may not" option is selected and the words "and/or assigns" or similar words are used to identify the Buyer, then this Agreement may be assigned with notice to Seller but without Seller's consent only to an entity which is controlled by or under common control with the Buyer identified in this Agreement. Any other assignment requires Seller's consent. The party identified as the initial Buyer shall remain responsible for those obligations of Buyer stated in this Agreement notwithstanding any assignment and, if this Agreement provides for Seller to finance a portion of the purchase price, then the party identified as the initial Buyer shall guarantee payment of the Seller financing.

**21. DEFAULT AND ATTORNEY'S FEE.**

**a. Buyer's default.** In the event Buyer fails, without legal excuse, to complete the purchase of the Property, then (**check one**):

Seller may terminate this Agreement and keep the earnest money as liquidated damages as the sole and exclusive remedy available to Seller for such failure; or

Seller may, at its option, (a) terminate this Agreement and keep as liquidated damages the earnest money as the sole and exclusive remedy available to Seller for such failure, (b) bring suit against Buyer for Seller's actual damages, (c) bring suit to specifically enforce this Agreement and recover any incidental damages, or (d) pursue any other rights or remedies available at law or equity.

**b. Seller's default.** In the event Seller fails, without legal excuse, to complete the sale of the Property, then (**check one**):

As Buyer's sole remedy, Buyer may either (a) terminate this Agreement and recover all earnest money or fees paid by Buyer whether or not the same are identified as refundable or applicable to the purchase price; or (b) bring suit to specifically enforce this Agreement and recover incidental damages, provided, however, Buyer must file suit within sixty (60) days from the scheduled date of closing or from the date Seller has informed Buyer in writing that Seller will not proceed with closing, whichever is earlier; or

Buyer may, at its option, (a) bring suit against Seller for Buyer's actual damages, (b) bring suit to specifically enforce this Agreement and recover any incidental damages, or (c) pursue any other rights or remedies available at law or equity.

Neither Buyer nor Seller may recover consequential damages such as lost profits. If Buyer or Seller institutes suit against the other concerning this Agreement, the prevailing party is entitled to reasonable attorneys' fees and expenses. In the event of trial, the amount of the attorney's fee shall be fixed by the court. The venue of any suit shall be the county in which the Property is located, and this Agreement shall be governed by the laws of the state where the Property is located.

**22. MISCELLANEOUS PROVISIONS.**

**a. Complete Agreement.** This Agreement and any addenda and exhibits thereto state the entire understanding of Buyer and Seller regarding the sale of the Property. There are no verbal or other written agreements which modify or affect the Agreement.

INITIALS: Buyer \_\_\_\_\_ Date \_\_\_\_\_ Seller \_\_\_\_\_ Date \_\_\_\_\_  
 Buyer \_\_\_\_\_ Date \_\_\_\_\_ Seller \_\_\_\_\_ Date \_\_\_\_\_



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**b. Counterpart Signatures.** This Agreement may be signed in counterpart, each signed counterpart shall be deemed an original, and all counterparts together shall constitute one and the same agreement.

**c. Electronic Delivery.** Electronic delivery of documents (e.g., transmission by facsimile or email) including signed offers or counteroffers and notices shall be legally sufficient to bind the party the same as delivery of an original. At the request of either party, or the Closing Agent, the parties will replace electronically delivered offers or counteroffers with original documents.

**d. Section 1031 Like-Kind Exchange.** If either Buyer or Seller intends for this transaction to be a part of a Section 1031 like-kind exchange, then the other party agrees to cooperate in the completion of the like-kind exchange so long as the cooperating party incurs no additional liability in doing so, and so long as any expenses (including attorneys fees and costs) incurred by the cooperating party that are related only to the exchange are paid or reimbursed to the cooperating party at or prior to Closing. Notwithstanding Section 20 above, any party completing a Section 1031 like-kind exchange may assign this Agreement to its qualified intermediary or any entity set up for the purposes of completing a reverse exchange.

**23. ACCEPTANCE; COUNTEROFFERS.** Seller has until midnight of \_\_\_\_\_, 20\_\_\_\_ (if not filled in, the third business day) following the day Buyer delivers the offer to accept this offer, unless sooner withdrawn. If this offer is not timely accepted, it shall lapse and the earnest money shall be refunded to Buyer. If either party makes a future counteroffer, the other party shall have until 5:00 p.m. on the \_\_\_\_\_ business day (if not filled in, the second business day) following receipt to accept the counteroffer, unless sooner withdrawn. If the counteroffer is not timely accepted or countered, this Agreement shall lapse and the earnest money shall be refunded to the Buyer. No acceptance, offer or counteroffer from the Buyer is effective until a signed copy is received by the Seller, the Listing Broker or the licensed office of the Listing Broker. No acceptance, offer or counteroffer from the Seller is effective until a signed copy is received by the Buyer, the Selling Broker or the licensed office of the Selling Broker. "Mutual Acceptance" shall occur when the last counteroffer is signed by the offeree, and the fully-signed counteroffer has been received by the offeror, his or her broker, or the licensed office of the broker. If any party is not represented by a broker, then notices must be delivered to and shall be effective when received by that party.

**24. INFORMATION TRANSFER.** In the event this Agreement is terminated, Buyer agrees to deliver to Seller within ten (10) days of Seller's written request copies of all materials received from Seller and any non-privileged plans, studies, reports, inspections, appraisals, surveys, drawings, permits, applications or other development work product relating to the Property in Buyer's possession or control as of the date this Agreement is terminated.

**25. CONFIDENTIALITY.** Until and unless closing has been consummated, Buyer and Seller shall follow reasonable measures to prevent unnecessary disclosure of information obtained in connection with the negotiation and performance of this Agreement. Neither party shall use or knowingly permit the use of any such information in any manner detrimental to the other party.

**26. SELLER'S ACCEPTANCE AND BROKERAGE AGREEMENT.** Seller agrees to sell the Property on the terms and conditions herein, and further agrees to pay a commission in a total amount computed in accordance with the listing or commission agreement. If there is no written listing or commission agreement, Seller agrees to pay a commission of 2.5% of the sales price ~~TO THE SELLING FIRM~~ of \$\_\_\_\_\_. The commission shall be apportioned between Listing Firm and Selling Firm as specified in the listing or any co-brokerage agreement. If there is no listing or written co-brokerage agreement, then Listing Firm shall pay to Selling Firm a commission of \_\_\_\_\_% of the sales price or \$\_\_\_\_\_. Seller assigns to Listing Firm and Selling Firm a portion of the sales proceeds equal to the commission. If the earnest money is retained as liquidated damages, any costs advanced or committed by Listing Firm or Selling Firm for Buyer or Seller shall be reimbursed or paid therefrom, and the balance shall be paid one-half to Seller and one-half to Listing Firm and Selling Firm according to the listing agreement and any co-brokerage agreement. In any action by Listing Firm or Selling Firm to enforce this Section, the prevailing party is entitled to reasonable attorneys' fees and expenses. Neither Listing Firm nor Selling Firm are receiving

INITIALS: Buyer \_\_\_\_\_ Date \_\_\_\_\_ Seller \_\_\_\_\_ Date \_\_\_\_\_  
 Buyer \_\_\_\_\_ Date \_\_\_\_\_ Seller \_\_\_\_\_ Date \_\_\_\_\_



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compensation from more than one party to this transaction unless disclosed on an attached addendum, in which case Buyer and Seller consent to such compensation. The Property described in attached Exhibit A is commercial real estate. Notwithstanding Section 25 above, the pages containing this Section, the parties' signatures and an attachment describing the Property may be recorded.

**27. LISTING BROKER AND SELLING BROKER DISCLOSURE.** EXCEPT AS OTHERWISE DISCLOSED IN WRITING TO BUYER OR SELLER, THE SELLING BROKER, LISTING BROKER, AND FIRMS HAVE NOT MADE ANY REPRESENTATIONS OR WARRANTIES OR CONDUCTED ANY INDEPENDENT INVESTIGATION CONCERNING THE LEGAL EFFECT OF THIS AGREEMENT, BUYER'S OR SELLER'S FINANCIAL STRENGTH, BOOKS, RECORDS, REPORTS, STUDIES, OR OPERATING STATEMENTS; THE CONDITION OF THE PROPERTY OR ITS IMPROVEMENTS; THE FITNESS OF THE PROPERTY FOR BUYER'S INTENDED USE; OR OTHER MATTERS RELATING TO THE PROPERTY, INCLUDING WITHOUT LIMITATION, THE PROPERTY'S ZONING, BOUNDARIES, AREA, COMPLIANCE WITH APPLICABLE LAWS (INCLUDING LAWS REGARDING ACCESSIBILITY FOR DISABLED PERSONS), OR HAZARDOUS OR TOXIC MATERIALS INCLUDING MOLD OR OTHER ALLERGENS. SELLER AND BUYER ARE EACH ADVISED TO ENGAGE QUALIFIED EXPERTS TO ASSIST WITH THESE DUE DILIGENCE AND FEASIBILITY MATTERS, AND ARE FURTHER ADVISED TO SEEK INDEPENDENT LEGAL AND TAX ADVICE RELATED TO THIS AGREEMENT.

INITIALS: Buyer \_\_\_\_\_ Date \_\_\_\_\_ Seller \_\_\_\_\_ Date \_\_\_\_\_  
 Buyer \_\_\_\_\_ Date \_\_\_\_\_ Seller \_\_\_\_\_ Date \_\_\_\_\_



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**28. IDENTIFICATION OF THE PARTIES.** The following is the contact information for the parties involved in this Agreement:

**Buyer**

**Contact:** City of Kirkland, Attn: Kurt Triplett  
**Address:** 124 5<sup>th</sup> Ave, Kirkland, WA 98033  
**Business Phone:** 425.587.3020  
**Mobile Phone:** \_\_\_\_\_  
**Fax:** \_\_\_\_\_  
**Email:** ktriplett@kirklandwa.gov

**Seller**

**Contact:** Western Washington Sheet Metal Joint  
 Apprenticeship Training Trust, Attn: Eric Peterson  
**Address:** 11831 Beverly Park Rd., B-1, Everett, WA  
 98204  
**Business Phone:** 425.438.1406  
**Mobile Phone:** \_\_\_\_\_  
**Fax:** 425.438.1936  
**Email:** ericp@wwsmjatc.org

**Selling Firm**

**Name:** CBRE, Inc.  
**Assumed Name (if applicable) :** \_\_\_\_\_  
**Selling Broker:** Joe Steele  
**Address:** 10885 NE 4<sup>th</sup> St, Ste 500, Bellevue, WA 98004  
**Business Phone:** 425.462.6925  
**Mobile Phone:** 206.948.0613  
**Email:** joe.steele@cbre.com  
**Fax:** 425.462.6966  
**MLS Office No.:** \_\_\_\_\_

**Listing Firm**

**Name:** NAI Puget Sound Properties  
**Assumed Name (if applicable) :** \_\_\_\_\_  
**Listing Broker:** Bob Swain  
**Address:** 11245 SE 6<sup>th</sup> St, Ste 130, Bellevue, WA 98004  
**Business Phone:** 425.586.5622  
**Mobile Phone:** 206.794.0443  
**Email:** bswain@nai-psp.com  
**Fax:** 206.794.0443  
**MLS Office No.:** \_\_\_\_\_

**Licensed Office of the Selling Broker**

**Address:** 10885 NE 4<sup>th</sup> St, Ste 500, Bellevue, WA 98004  
**Business Phone:** 425.455.8500  
**Email:** \_\_\_\_\_  
**Fax:** 425.462.6966  
**CBA Office No.:** 956400

**Licensed Office of the Listing Broker**

**Address:** \_\_\_\_\_  
**Business Phone:** \_\_\_\_\_  
**Email:** \_\_\_\_\_  
**Fax:** \_\_\_\_\_  
**CBA Office No.:** \_\_\_\_\_

INITIALS: Buyer \_\_\_\_\_ Date \_\_\_\_\_ Seller \_\_\_\_\_ Date \_\_\_\_\_  
 Buyer \_\_\_\_\_ Date \_\_\_\_\_ Seller \_\_\_\_\_ Date \_\_\_\_\_



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**Courtesy Copy of Notices to Buyer to:**

**Name:** \_\_\_\_\_  
**Address:** \_\_\_\_\_  
**Business Phone:** \_\_\_\_\_  
**Fax:** \_\_\_\_\_  
**Mobile Phone:** \_\_\_\_\_  
**Email:** \_\_\_\_\_

**Courtesy Copy of Notices to Seller to:**

**Name:** Krutch Lindell, Attn: Greg Petrie  
**Address:** 600 University St, Ste 1701, Seattle, WA 98101  
**Business Phone:** 206.292.3103  
**Fax:** 206.467.1823  
**Mobile Phone:** \_\_\_\_\_  
**Email:** \_\_\_\_\_

IN WITNESS WHEREOF, the parties have signed this Agreement intending to be bound.

Buyer \_\_\_\_\_  
 Printed name and type of entity

Buyer \_\_\_\_\_  
 Printed name and type of entity

Buyer \_\_\_\_\_  
 Signature and title

Buyer \_\_\_\_\_  
 Signature and title

Date signed \_\_\_\_\_

Date signed \_\_\_\_\_

Seller \_\_\_\_\_  
 Printed name and type of entity

Seller \_\_\_\_\_  
 Printed name and type of entity

Seller \_\_\_\_\_  
 Signature and title

Seller \_\_\_\_\_  
 Signature and title

Date signed \_\_\_\_\_

Date signed \_\_\_\_\_

INITIALS: Buyer \_\_\_\_\_ Date \_\_\_\_\_ Seller \_\_\_\_\_ Date \_\_\_\_\_

Buyer \_\_\_\_\_ Date \_\_\_\_\_ Seller \_\_\_\_\_ Date \_\_\_\_\_



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**EXHIBIT A \***

[Legal Description]

**THE LAND REFERRED TO IN THIS COMMITMENT IS SITUATED IN THE  
 STATE OF WASHINGTON, COUNTY OF KING AND IS DESCRIBED AS  
 FOLLOWS:**

**PARCEL A:**

**LOT 2 OF KING COUNTY SHORT PLAT NO. 777086 RECORDED UNDER  
 RECORDING NO. 7710060818.**

**PARCEL B:**

**AN EASEMENT FOR INGRESS AND EGRESS OVER, UNDER AND ACROSS A  
 STRIP OF LAND 20 FEET IN WIDTH, THE CENTERLINE OF WHICH IS  
 DESCRIBED AS FOLLOWS:**

**BEGINNING AT THE NORTHEAST CORNER OF LOT 1 OF SAID SHORT  
 PLAT;  
 THENCE SOUTH 1°45'28" WEST A DISTANCE OF 394.57 FEET TO THE  
 CENTER OF A CUL-DE-SAC, HAVING A RADIUS OF 45 FEET AND THE  
 TERMINUS OF SAID EASEMENT;  
 EXCEPT ANY PORTION LYING WITHIN THE ABOVE DESCRIBED PARCEL  
 A.**

**BOTH SITUATE IN THE COUNTY OF KING, STATE OF WASHINGTON.**

\* To ensure accuracy in the legal description, consider substituting the legal description contained in the preliminary commitment for title insurance or a copy of the Property's last vesting deed for this page. Do not neglect to label the substitution "Exhibit A." You should avoid transcribing the legal description because any error in transcription may render the legal description inaccurate and this Agreement unenforceable.

INITIALS: Buyer \_\_\_\_\_ Date \_\_\_\_\_ Seller \_\_\_\_\_ Date \_\_\_\_\_  
 Buyer \_\_\_\_\_ Date \_\_\_\_\_ Seller \_\_\_\_\_ Date \_\_\_\_\_



**CBRE, Inc.**  
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CBA Form UA  
 Utility Addendum  
 Rev. 1/2011  
 Page 1 of 2

**UTILITY CHARGES ADDENDUM**

CBA Text Disclaimer: Text deleted by licensee indicated by strike.  
 New text inserted by licensee indicated by small capital letters.

The following is part of the Purchase and Sale Agreement dated January 14, 2013 between City of Kirkland ("Buyer") and Western Washington Sheet Metal Joint Apprenticeship Training Trust ("Seller") concerning the Former Western Washington Sheet Metal Building, located at 13513 NE 126th Place, Kirkland, WA (the "Property").

Pursuant to RCW 60.80, Buyer and Seller request the Closing Agent to administer the disbursement of closing funds necessary to satisfy unpaid utility charges affecting the Property. The names and addresses of all utilities providing service to the Property and having lien rights are as follows:

Water District:

\_\_\_\_\_  
 Name

\_\_\_\_\_  
 Address

\_\_\_\_\_  
 City, State, Zip

Sewer District:

\_\_\_\_\_  
 Name

\_\_\_\_\_  
 Address

\_\_\_\_\_  
 City, State, Zip

Irrigation District:

\_\_\_\_\_  
 Name

\_\_\_\_\_  
 Address

\_\_\_\_\_  
 City, State, Zip

Garbage:

\_\_\_\_\_  
 Name

\_\_\_\_\_  
 Address

\_\_\_\_\_  
 City, State, Zip

Electricity:

\_\_\_\_\_  
 Name

\_\_\_\_\_  
 Address

\_\_\_\_\_  
 City, State, Zip

Gas:

\_\_\_\_\_  
 Name

\_\_\_\_\_  
 Address

\_\_\_\_\_  
 City, State, Zip

INITIALS: Buyer \_\_\_\_\_ Date \_\_\_\_\_ Seller \_\_\_\_\_ Date \_\_\_\_\_

Buyer \_\_\_\_\_ Date \_\_\_\_\_ Seller \_\_\_\_\_ Date \_\_\_\_\_



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 Page 2 of 2

**UTILITY CHARGES ADDENDUM  
 (CONTINUED)**

Special District(s):  
 (local improvement districts  
 or utility local improvement)

\_\_\_\_\_

Name

\_\_\_\_\_

Address

\_\_\_\_\_

City, State, Zip

IF THE ABOVE INFORMATION HAS NOT BEEN FILLED IN AT THE TIME OF MUTUAL ACCEPTANCE OF THIS AGREEMENT, THEN (1) WITHIN \_\_\_\_ DAYS (5 DAYS IF NOT FILLED IN) OF MUTUAL ACCEPTANCE OF THIS AGREEMENT, SELLER SHALL PROVIDE THE LISTING BROKER, SELLING BROKER, OR CLOSING AGENT WITH THE NAMES AND ADDRESSES OF ALL UTILITY PROVIDERS HAVING LIEN RIGHTS AFFECTING THE PROPERTY AND (2) BUYER AND SELLER AUTHORIZE LISTING BROKER, SELLING BROKER OR CLOSING AGENT TO INSERT INTO THIS ADDENDUM THE NAMES AND ADDRESSES OF THE UTILITY PROVIDERS IDENTIFIED BY SELLER. SELLER ACKNOWLEDGES THAT THIS ADDENDUM DOES NOT RELIEVE SELLER OF ITS OBLIGATION TO PAY UTILITY CHARGES, BILLED OR UNBILLED OR EVIDENCED BY A RECORDED LIEN OR NOT. THE PARTIES UNDERSTAND THAT NEITHER LISTING BROKER NOR SELLING BROKER IS RESPONSIBLE FOR PAYING UTILITY CHARGES OR FOR INSURING THAT THEY ARE PAID BY ANY OTHER PERSON.

INITIALS: Buyer \_\_\_\_\_ Date \_\_\_\_\_ Seller \_\_\_\_\_ Date \_\_\_\_\_  
 Buyer \_\_\_\_\_ Date \_\_\_\_\_ Seller \_\_\_\_\_ Date \_\_\_\_\_



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 Page 1 of 1



**EARNEST MONEY PROMISSORY NOTE**

\$ 100,000

Place: Bellevue, WA

Date: January 14, 2013

FOR VALUE RECEIVED, City of Kirkland ("Buyer") agrees to pay to the order of Chicago Title ("Holder") the sum of One Hundred Thousand and No/100 Dollars (\$100,000.00) as follows:

- \_\_\_\_\_ days (3 days if not filled in) following mutual acceptance of the Purchase and Sale Agreement.
- Upon satisfaction or waiver of the feasibility contingency stated in the Purchase and Sale Agreement.
- Other \_\_\_\_\_\*.

This Note is evidence of the obligation to pay earnest money under the purchase and sale agreement (the "Agreement") between Buyer and Western Washington Sheet Metal Joint Apprenticeship Training Trust ("Seller") dated January 14, 2013 for the property located at 13513 NE 126th Place, Kirkland, Washington. Buyer's failure to pay the earnest money strictly as above shall constitute default on the Agreement as well as on this Note.

If Holder retains an attorney for collection of amounts due pursuant to this Note, or if Holder brings suit to collect any amounts due on this Note, Buyer shall pay a reasonable attorney's fee and costs. This Note shall bear interest at the rate of twelve percent (12%) per annum after default.

BUYER

\_\_\_\_\_  
 \_\_\_\_\_

By: \_\_\_\_\_

Printed Name and Title: \_\_\_\_\_

\* Do not enter "on closing" as the date this Note becomes due and payable because closing under the Agreement is not certain to occur. Instead, insert a specific date or an event that is certain to occur.



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CBA Form 22E  
 FIRPTA Certificate  
 Rev. 1/2011  
 Page 1 of 1

**CERTIFICATION UNDER THE  
 FOREIGN INVESTMENT IN REAL PROPERTY TAX ACT ("FIRPTA")**

Section 1445 of the U.S. Internal Revenue Code, The Foreign Investment in Real Property Tax Act ("FIRPTA") provides that a buyer of a U.S. real property interest must withhold tax if the Seller is a foreign person, unless an exception in the Act applies. The following information is intended to help the Buyer and Closing Agent determine if tax withholding is required.

Note: The above law applies to foreign corporations, partnerships, trusts, estates and other foreign entities, as well as to foreign individuals. If the Seller is a corporation, partnership, trust, estate or other entity, the terms "I" and "my" as used below means the corporation or other entity. A "real property interest" includes full or part ownership of land and/or improvements thereon; leaseholds; options to acquire any of the foregoing; and an interest in foreign corporations, partnerships, trusts or other entities holding U.S. real estate.

**SELLER CERTIFICATION.** Seller hereby certifies the following:

**PROPERTY.** I am the Seller of real property:  at 13513 NE 126<sup>th</sup> Place Kirkland,  
 (address) (city)  
 Washington; or  (if no street address) legally described on the attached.

**CITIZENSHIP STATUS.** I  AM  AM NOT a non-resident alien (or a foreign corporation, foreign partnership, foreign trust, foreign estate or other foreign business entity) for purposes of U.S. income taxation.

**TAXPAYER I.D. NUMBER.** My U.S. taxpayer identification number (e.g. social security number) is:  
 \_\_\_\_\_

**ADDRESS.** My home address is: \_\_\_\_\_

Under penalties of perjury, I declare that I have examined this Certification and to the best of my knowledge and belief it is true, correct and complete. I understand that this Certification may be disclosed to the Internal Revenue Service and that any false statement I have made here could be punished by fine, imprisonment, or both.

SELLER \_\_\_\_\_ DATE \_\_\_\_\_  
 SELLER \_\_\_\_\_ DATE \_\_\_\_\_

**BUYER CERTIFICATION** (Fill this in only if the Seller is a non-resident alien).

NOTE: If the Seller is a non-resident alien, and has not obtained a release from the Internal Revenue Service, then the closing agent must withhold 10% of the amount realized from the sale and pay it to the IRS, unless Buyer certifies that **BOTH** statements below are correct:

- (1) **Amount Realized.** I certify that the total price that I am to pay for the property, including liabilities assumed and all other consideration to the Seller, does not exceed \$300,000; and
- (2) **Family Residence.** I certify that I or a member of my family\* have definite plans to reside on the property for at least 50% of the time that the property is used by any person during each of the first two twelve month periods following the date of this sale.

\* (Defined in 11 U.S.C. 267(c)(4). It includes brothers, sisters, spouse, ancestors and lineal descendants).

Under penalties of perjury, I declare that I have examined this Certification and to the best of my knowledge and belief both statements are true, correct and complete. I understand that this Certification may be disclosed to the Internal Revenue Service and that any false statement I have made here could be punished by fine, imprisonment, or both.

BUYER \_\_\_\_\_ DATE \_\_\_\_\_  
 BUYER \_\_\_\_\_ DATE \_\_\_\_\_



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 Seller Disclosure Statement -  
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 Page 1 of 4

**SELLER DISCLOSURE STATEMENT†  
 COMMERCIAL PROPERTY**

**SELLER:** Western Washington Sheet Metal Joint Apprenticeship Training Trust

† To be used in transfers of commercial real estate as defined in RCW 60.42.005. See RCW Chapter 64.06 for further explanations.

**INSTRUCTIONS TO THE SELLER**

Please complete the following form. Do not leave any spaces blank. If the question clearly does not apply to the property write "NA." If the answer is "yes" to any asterisked (\*) item(s), please explain on attached sheets. Please refer to the line number(s) of the question(s) when you provide your explanation(s). For your protection you must date and initial each page of this disclosure statement and each attachment. Delivery of the disclosure statement must occur not later than five (5) business days, unless otherwise agreed, after mutual acceptance of a written purchase and sale agreement between Buyer and Seller.

**NOTICE TO THE BUYER**

THE FOLLOWING DISCLOSURES ARE MADE BY SELLER ABOUT THE CONDITION OF THE PROPERTY LOCATED AT 13513 NE 126<sup>th</sup> Place, CITY Kirkland, COUNTY King ("THE PROPERTY") OR AS LEGALLY DESCRIBED ON THE ATTACHED EXHIBIT A. SELLER MAKES THE FOLLOWING DISCLOSURES OF EXISTING MATERIAL FACTS OR MATERIAL DEFECTS TO BUYER BASED ON SELLER'S ACTUAL KNOWLEDGE OF THE PROPERTY AT THE TIME SELLER COMPLETES THIS DISCLOSURE STATEMENT. UNLESS YOU AND SELLER OTHERWISE AGREE IN WRITING, YOU HAVE THREE (3) BUSINESS DAYS FROM THE DAY SELLER OR SELLER'S AGENT DELIVERS THIS DISCLOSURE STATEMENT TO YOU TO RESCIND THE AGREEMENT BY DELIVERING A SEPARATELY SIGNED WRITTEN STATEMENT OF RESCISSION TO SELLER OR SELLER'S AGENT. IF THE SELLER DOES NOT GIVE YOU A COMPLETED DISCLOSURE STATEMENT, THEN YOU MAY WAIVE THE RIGHT TO RESCIND PRIOR TO OR AFTER THE TIME YOU ENTER INTO A PURCHASE AND SALE AGREEMENT.

THE FOLLOWING ARE DISCLOSURES MADE BY SELLER AND ARE NOT THE REPRESENTATIONS OF ANY REAL ESTATE LICENSEE OR OTHER PARTY. THIS INFORMATION IS FOR DISCLOSURE ONLY AND IS NOT INTENDED TO BE A PART OF ANY WRITTEN AGREEMENT BETWEEN BUYER AND SELLER.

FOR A MORE COMPREHENSIVE EXAMINATION OF THE SPECIFIC CONDITION OF THIS PROPERTY YOU ARE ADVISED TO OBTAIN AND PAY FOR THE SERVICES OF QUALIFIED EXPERTS TO INSPECT THE PROPERTY, WHICH MAY INCLUDE, WITHOUT LIMITATION, ARCHITECTS, ENGINEERS, LAND SURVEYORS, PLUMBERS, ELECTRICIANS, ROOFERS, BUILDING INSPECTORS, ON-SITE WASTEWATER TREATMENT INSPECTORS, OR STRUCTURAL PEST INSPECTORS. THE PROSPECTIVE BUYER AND SELLER MAY WISH TO OBTAIN PROFESSIONAL ADVICE OR INSPECTIONS OF THE PROPERTY OR TO PROVIDE APPROPRIATE PROVISIONS IN A CONTRACT BETWEEN THEM WITH RESPECT TO ANY ADVICE, INSPECTION, DEFECTS OR WARRANTIES.

Seller  is/  is not occupying the property.

**I. SELLER'S DISCLOSURES:**

\* If you answer "Yes" to a question with an asterisk (\*), please explain your answer and attach documents, if available and not otherwise publicly recorded. If necessary, use an attached sheet.

	YES	NO	DON'T KNOW
<b>1. TITLE</b>			
A. Do you have legal authority to sell the property? If no, please explain.	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
*B. Is title to the property subject to any of the following?			
(1) First right of refusal	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
(2) Option	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
(3) Lease or rental agreement	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
(4) Life estate?	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
*C. Are there any encroachments, boundary agreements, or boundary disputes?	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
*D. Is there any leased parking?	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
*E. Is there a private road or easement agreement for access to the property?	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>

SELLER'S INITIALS: \_\_\_\_\_ DATE: \_\_\_\_\_ SELLER'S INITIALS: \_\_\_\_\_ DATE: \_\_\_\_\_



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 Page 2 of 4

**SELLER DISCLOSURE STATEMENT†  
 COMMERCIAL PROPERTY**

	YES	NO	DON'T KNOW
*F. Are there any rights-of-way, easements, shared use agreements or access limitations?	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
*G. Are there any written agreements for joint maintenance of an easement or right-of-way?	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
*H. Are there any zoning violations or nonconforming uses?	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
*I. Is there a survey for the property?	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
*J. Are there any legal actions pending or threatened that affect the property?	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
*K. Is the property in compliance with the Americans with Disabilities Act?	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
<b>2. WATER</b>			
*Are there any water rights for the property, such as a water right permit, certificate, or claim?	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
<b>3. SEWER/ON-SITE SEWAGE SYSTEM</b>			
*Is the property subject to any sewage system fees or charges in addition to those covered in your regularly billed sewer or on-site sewage system maintenance service?	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
<b>4. STRUCTURAL</b>			
*A. Has the roof leaked within the last 5 years?	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
*B. Has any occupied subsurface flooded or leaked within the last five years?	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
*C. Have there been any conversions, additions or remodeling?	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
*(1) If yes, were all building permits obtained?	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
*(2) If yes, were all final inspections obtained?	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
*D. Has there been any settling, slippage, or sliding of the property or its improvements?	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
*E. Are there any defects with the following: (If yes, please check applicable items and explain.)	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
<input type="checkbox"/> Foundations			
<input type="checkbox"/> Slab Floors			
<input type="checkbox"/> Doors			
<input type="checkbox"/> Outbuildings			
<input type="checkbox"/> Ceilings			
<input type="checkbox"/> Exterior Walls			
<input type="checkbox"/> Sidewalks			
<input type="checkbox"/> Siding			
<input type="checkbox"/> Interior Walls			
<input type="checkbox"/> Other _____			
<input type="checkbox"/> Windows			
<b>5. SYSTEMS AND FIXTURES</b>			
*A. Are there any defects in the following systems? If yes, please explain.			
(1) Electrical system	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
(2) Plumbing system	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
(3) Heating and cooling systems	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
(4) Fire and security system	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
(5) Carbon monoxide alarms	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
<b>6. ENVIRONMENTAL</b>			
*A. Have there been any flooding, standing water, or drainage problems on the property that affect the property or access to the property?	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
*B. Is there any material damage to the property from fire, wind, floods, beach movements, earthquake, expansive soils, or landslides?	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
*C. Are there any shorelines, wetlands, floodplains, or critical areas on the property?	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
*D. Are there any substances, materials, or products in or on the property that may be environmental concerns, such as asbestos, formaldehyde, radon gas, lead-based paint, fuel or chemical storage tanks, or contaminated soil or water?	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>

SELLER'S INITIALS: \_\_\_\_\_ DATE: \_\_\_\_\_ SELLER'S INITIALS: \_\_\_\_\_ DATE: \_\_\_\_\_



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 Page 3 of 4

**SELLER DISCLOSURE STATEMENT†  
 COMMERCIAL PROPERTY**

	YES	NO	DON'T KNOW
*E. Is there any soil or groundwater contamination?	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
*F. Has the property been used as a legal or illegal dumping site?	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
*G. Has the property been used as an illegal drug manufacturing site?	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>

**7. FULL DISCLOSURE BY SELLERS**

A. Other conditions or defects:

\*Are there any other existing material defects affecting the property that a prospective buyer should know about?

B. Verification

The foregoing answers and attached explanations (if any) are complete and correct to the best of Seller's knowledge and Seller has received a copy hereof. Seller agrees to defend, indemnify and hold real estate licensees harmless from and against any and all claims that the above information is inaccurate. Seller authorizes real estate licensees, if any, to deliver a copy of this disclosure statement to other real estate licensees and all prospective buyers of the property.

Date: \_\_\_\_\_

Date: \_\_\_\_\_

Seller: \_\_\_\_\_

Seller: \_\_\_\_\_

**NOTICES TO THE BUYER**

**SEX OFFENDER REGISTRATION**

**INFORMATION REGARDING REGISTERED SEX OFFENDERS MAY BE OBTAINED FROM LOCAL LAW ENFORCEMENT AGENCIES. THIS NOTICE IS INTENDED ONLY TO INFORM YOU OF WHERE TO OBTAIN THIS INFORMATION AND IS NOT AN INDICATION OF THE PRESENCE OF REGISTERED SEX OFFENDERS.**

**PROXIMITY TO FARMING**

**THIS NOTICE IS TO INFORM YOU THAT THE REAL PROPERTY YOU ARE CONSIDERING FOR PURCHASE MAY LIE IN CLOSE PROXIMITY TO A FARM. THE OPERATION OF A FARM INVOLVES USUAL AND CUSTOMARY AGRICULTURAL PRACTICES, WHICH ARE PROTECTED UNDER RCW 7.48.305, THE WASHINGTON RIGHT TO FARM ACT.**

**II. BUYER'S ACKNOWLEDGEMENT**

Buyer hereby acknowledges that:

- A. Buyer has a duty to pay diligent attention to any material defects that are known to Buyer or can be known to Buyer by utilizing diligent attention and observation.
- B. The disclosures set forth in this statement and in any amendments to this statement are made only by the Seller and not by any real estate licensee or other party.
- C. Buyer acknowledges that, pursuant to RCW 64.06.050 (2), real estate licensees are not liable for inaccurate information provided by Seller, except to the extent that real estate licensees know of such inaccurate information.
- D. This information is for disclosure only and is not intended to be a part of the written agreement between the Buyer and Seller.
- E. Buyer (which term includes all persons signing the "Buyer's acceptance" portion of this disclosure statement below) has received a copy of this Disclosure Statement (including attachments, if any) bearing Seller's signature(s).

DISCLOSURES CONTAINED IN THIS DISCLOSURE STATEMENT ARE PROVIDED BY SELLER BASED ON SELLER'S ACTUAL KNOWLEDGE OF THE PROPERTY AT THE TIME SELLER COMPLETES THIS DISCLOSURE STATEMENT. UNLESS BUYER AND SELLER OTHERWISE AGREE IN WRITING, BUYER SHALL HAVE THREE (3) BUSINESS DAYS FROM THE DAY SELLER OR SELLER'S AGENT DELIVERS THIS DISCLOSURE STATEMENT TO RESCIND THE AGREEMENT BY DELIVERING A SEPARATELY SIGNED WRITTEN STATEMENT OF RESCISSION TO SELLER OR SELLER'S AGENT. YOU MAY WAIVE THE RIGHT TO RESCIND PRIOR TO OR AFTER THE TIME YOU ENTER INTO A SALE AGREEMENT.

SELLER'S INITIALS: \_\_\_\_\_ DATE: \_\_\_\_\_ SELLER'S INITIALS: \_\_\_\_\_ DATE: \_\_\_\_\_



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**SELLER DISCLOSURE STATEMENT†  
 COMMERCIAL PROPERTY**

BUYER HEREBY ACKNOWLEDGES RECEIPT OF A COPY OF THIS DISCLOSURE STATEMENT AND ACKNOWLEDGES THAT THE DISCLOSURES MADE HEREIN ARE THOSE OF THE SELLER ONLY, AND NOT OF ANY REAL ESTATE LICENSEE OR OTHER PARTY.

DATE: \_\_\_\_\_ DATE: \_\_\_\_\_  
 BUYER: \_\_\_\_\_ BUYER: \_\_\_\_\_

**BUYER'S WAIVER OF RIGHT TO REVOKE OFFER**

Buyer has read and reviewed the Seller's responses to this Seller Disclosure Statement. Buyer approves this statement and waives Buyer's right to revoke Buyer's offer based on this disclosure.

DATE: \_\_\_\_\_ DATE: \_\_\_\_\_  
 BUYER: \_\_\_\_\_ BUYER: \_\_\_\_\_

**BUYER'S WAIVER OF RIGHT TO RECEIVE COMPLETED SELLER DISCLOSURE STATEMENT**

Buyer has been advised of Buyer's right to receive a completed Seller Disclosure Statement. Buyer waives that right. However, if the answer to any of the questions in the section entitled "Environmental" would be "yes," Buyer may not waive the receipt of the "Environmental" section of the Seller Disclosure Statement.

DATE: \_\_\_\_\_ DATE: \_\_\_\_\_  
 BUYER: \_\_\_\_\_ BUYER: \_\_\_\_\_

If the answer is "Yes" to any asterisked (\*) items, please explain below (use additional sheets if necessary). Please refer to the line number(s) of the question(s).

\_\_\_\_\_

SELLER'S INITIALS: \_\_\_\_\_ DATE: \_\_\_\_\_ SELLER'S INITIALS: \_\_\_\_\_ DATE: \_\_\_\_\_



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**EARNEST MONEY PROMISSORY NOTE**

\$ 100,000

Place: Bellevue, WA

Date: December 18, 2012

FOR VALUE RECEIVED, City of Kirkland ("Buyer") agrees to pay to the order of Chicago Title ("Holder") the sum of One Hundred Thousand and No/100 Dollars (\$100,000.00) as follows:

- \_\_\_\_\_ days (3 days if not filled in) following mutual acceptance of the Purchase and Sale Agreement.
- Upon satisfaction or waiver of the feasibility contingency stated in the Purchase and Sale Agreement.
- Other \_\_\_\_\_\*.

This Note is evidence of the obligation to pay earnest money under the purchase and sale agreement (the "Agreement") between Buyer and Western Washington Sheet Metal Apprenticeship Training Trust ("Seller") dated December 18, 2012 for the property located at 13513 NE 126th Place, Kirkland, Washington. Buyer's failure to pay the earnest money strictly as above shall constitute default on the Agreement as well as on this Note.

If Holder retains an attorney for collection of amounts due pursuant to this Note, or if Holder brings suit to collect any amounts due on this Note, Buyer shall pay a reasonable attorney's fee and costs. This Note shall bear interest at the rate of twelve percent (12%) per annum after default.

BUYER

\_\_\_\_\_  
 \_\_\_\_\_

By: \_\_\_\_\_

Printed Name and Title: \_\_\_\_\_

\* Do not enter "on closing" as the date this Note becomes due and payable because closing under the Agreement is not certain to occur. Instead, insert a specific date or an event that is certain to occur.